

1 Q. (a) Provide details of productivity and efficiency improvements
2 implemented from 1992 to present in Transmission and Rural
3 Operations (DWR, pages 6-9).

4 (b) Quantify the annual savings to date and forecast for 2001 and 2002 of
5 these productivity and efficiency improvements.

6

7 A. (a) Productivity and efficiency improvements resulted in the following
8 initiatives:

9 In 1995 a review of line workers resulted in the elimination of 6 FTE.

10 In 1996, the Transmission and Rural Operations (TRO) changed from
11 six regions to three regions - Central, Northern, and Labrador. The
12 regional offices are located at Bishop's Falls, Port Saunders, and
13 Happy Valley. In this initiative, flattening of the organization
14 eliminated three managers' positions, and one level of supervision in
15 most areas. In addition, maintenance coordination was centralized to
16 the regional offices, and transmission and distribution line workers
17 were combined under a common lines supervisor. The initiative
18 resulted in the elimination of 19 FTE.

19 In 1998, TRO decided to introduce a new multi-skilled classification in
20 its isolated diesel systems. This new classification, Diesel System
21 Representative (DSR), in addition to the traditional operators' duties
22 will also carry out minor maintenance, meter reading, limited line duty,
23 and other customer services tasks. This approach to operating and
24 maintaining the isolated diesel systems was identified as a way to
25 reduce our costs (primary travel) as well as improve customer service.

1 With the training nearing completion we will implement this new
2 classification in 2001.

3 In 1999, TRO started a review of line worker coverage on the Island
4 and in Labrador. The objective was to identify the number and
5 location of line workers necessary to maintain the system without
6 compromising our ability to respond to major storms as experienced in
7 the past. This initiative resulted in the elimination of 17.5 FTE line
8 worker positions in 2001. In addition to this, some positions were
9 relocated to achieve more effective coverage.

10 (b) The following table shows an estimate of the initiatives savings
11 starting with the first full year after implementation. An average of the
12 annual salary/hourly rates was used to generate these estimates:

Years	Estimate Annual Savings	Estimated Cumulative Total Savings
1996	\$242,000	\$242,000
1997	\$942,000	\$1,184,000
1998	\$942,000	\$2,126,000
1999	\$942,000	\$3,068,000
2000	\$942,000	\$4,010,000
2001	\$942,000	\$4,952,000
2002	\$1,996,000	\$6,948,000